

October 10, 2012
1001 Wotan Rd
Columbia, SC 29229

The Honorable Jocelyn Boyd
Public Service Commission
101 Executive Drive
Columbia, SC 29210

RE: Docket No. 2012-203-E Petition of South Carolina Electric and Gas Company for Updates and Revisions to Schedules Related to the Construction of a Nuclear Base Load Generation Facility at Jenkinsville, South Carolina

Dear Ms. Boyd,

Following the direction of the Commission to provide such to itself and to all the parties in the above docket, I am providing this letter, my request of the Commission to compel SCE&G to provide certain information which should have been revealed at the October 4 hearing.

In the above-named docket SCE&G is petitioning for the ability to charge customers for items related to updates on the construction schedule revisions. A key component in these revisions is an item labeled by the Company as "COL delay," a 9-month discrepancy between the benchmark and the actual receipt of the COL permit from the NRC.

When asked twice, once in my discovery interrogatories prior to the hearing for this docket and a second time under oath from the stand, SCE&G stated the Nuclear Regulatory Commission offered no assurances to the Company as to the date of the issuance of the COL permit. In fact, under oath from the stand, Mr. Byrne could not provide the names of the persons through whom his Company and the NRC inter-communicated about any likely date by which the NRC would award the COL to the Company. Without evidence there is no credible proof of actual delay. Because the Company was and is relying on a July 2011 date for one of its milestones on which rest the alleged delay and resultant costs, this information is vital to the ability of the Commission to make a ruling on these said alleged particular costs.

Mr. Byrne's knowledge and expertise made him invaluable to SCE&G. He is a master of detail; his work is not slipshod. His evasive response from the stand to this intervenor is unacceptable.

Another aspect of this issue is the assignment of monetary amounts related to the "delay" although no person hired for work for the nuclear facility lacked for productive work during the 9 month period of time from July 2011 to March 2012, according to Mr. Byrne's testimony under oath.

SCE&G and Westinghouse cannot by their contract impose a schedule on a third party which is not involved in that contract. When a regulatory body such as the NRC does its due diligence, circumstances may and do arise in its own proceedings that affect the time it takes to perform that due diligence. It is unreasonable and imprudent to believe that a communication with the NRC suggesting a deadline date for receiving the COL permit is an assured, firm enough deadline by which to assign alleged costs for labor, time, etc. when labor in fact did not stop. Furthermore, consider the constraints under which the NRC worked, all of which SCE&G and Westinghouse were aware:

- that the AP 1000 is a new technology never built before,
- that Revision (#19,) to be used by SCE&G (not available at the time of the PSC's BLRA hearing) needed a thorough review,
- that the NRC is a body with a number of people new to its board,
- that the NRC was and is currently working on new rule-making,

- that the NRC had a large number of COL's to consider, and
- that Fukushima's difficulties and lessons learned and to be learned have serious implications for safety at every nuclear plant,

These considerations indicate that a prudent COL decision by the NRC could not be anywise rushed.

Therefore, this intervenor is requesting that the Commission compel the Company to provide documentation of inter-communications between the SCE&G and the Nuclear Regulatory Commission concerning the NRC's providing a July 2011 date as possible or probable for the awarding of the COL license. This documentation must include dates and the names and contact information of the specific communicants. The time line of these communications is critical, as they must be compared to the dates of benchmark setting by SCE&G to determine if SCE&G set its deadline before its communications with the NRC were complete. In addition, an affidavit must be provided to accompany the documentation.

The information received will hold a key to the workings of SCE&G, Westinghouse, Shaw, and the NRC and can be used by the PSC to rule as cost(s) which should not and cannot be assigned to rate-payers as the increase would set a precedent for randomly assigning non-actual costs to risks which should be properly born by the Company.

Should the content of inter-communications among SCE&G, Westinghouse, and the NRC be held confidentially are held in confidence from you and this Commission. If that proves to be the case the Commission has cause sufficient to disallow reimbursement for any alleged costs of COL permit "delay." The Commission might consider that it has no compelling reason to honor parts of an agreement which are cloaked in secrecy and that to allow these alleged costs is to establish a precedent of incidentally condoning a practice of hiding of information and misrepresentation by the Company under oath from the Commission.

Finally, knowing that revised contractual agreements between and among companies is a delicate compromise and the Commission honors the hard work that goes into such agreements and contracts, the COL permit "delay" is an integral part of the compromise leading to a settlement agreement between SCE&G and Westinghouse. Through the settlement process SCE&G "saved" money by not entering into litigation; however, without a legal ruling assigning particular sorting responsibilities of the separate parties, the Commission may feel it cannot assign fault and thus cannot disallow charges to consumers under the agreement. This is not the case. The Commission is bound not by agreements between and among SCE&G and its contractors but by its determination of the prudence of actions by SCE&G in its obligation to rate-payers. The Commission can honor the agreement but require SCE&G to pick up the tab for the COL permit "delay" for its (the Company's own decisions) without rolling the alleged costs of COL "delay" into consumer rates. The costs to SCE&G would still be less than what it would have incurred through litigation, and the Company would be wiser in its future planning and decision-making that saves consumers money on costs.

I thank you and the Commission for its own due diligence and hope that the information from SCE&G about the inter-communications and inter-communicants in this issue of SCE&G's imprudent action of setting a firm deadline date not based on assurances for the COL permit will assist the PSC in making its decision to disallow rolling into rates any alleged costs for COL "delay" if continued productive work can be considered a delay of work.

Sincerely,

Pamela Greenlaw